

United States
Circuit Court of Appeals

For the Ninth Circuit.

PACIFIC PHONOGRAPH COMPANY, a Corporation,

Appellant,

VS.

SEARCHLIGHT HORN COMPANY, a Corporation,

Appellee.

Transcript of Record.

Upon Appeal from the United States District Court for the
Northern District of California, Second Division.

Filed

FEB 13 1915

F. D. Monckton,
Clerk,

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RECORD.

[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in *italic*; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in *italic* the two words between which the omission seems to occur. Title heads inserted by the Clerk are enclosed within brackets.]

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Names and Addresses of Attorneys.

NICHOLAS A. ACKER. and DAN HADSELL,
Esqrs., Attorneys for Appellant, Foxcroft Building,
San Francisco, California.

JOHN H. MILLER, Esq., Attorney for Appellee,
Crocker Building, San Francisco, California.

*In the District Court of the United States for the
Northern District of California, Second Division.*

(No. 18—IN EQUITY.)

SEARCHLIGHT HORN COMPANY,
Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,
Defendant.

Bill of Complaint.

For Infringement of Patent, No. 771,441.

Now comes the Searchlight Horn Company, plaintiff in the above-entitled suit and files this its bill of complaint against Pacific Phonograph Company, defendant, and for cause of action alleges:

1. That the full name of the plaintiff is Searchlight Horn Company, and during all the time of the actual infringement hereinafter complained of said plaintiff was and still is a corporation created under the laws of the State of New York and having its principal place of business at the City of New York in the State of New York.

2. That the full name of the defendant is Pacific

Phonograph Company, and since February 1, A. D. 1909, said defendant has been and still is a corporation created and existing under and by virtue of the laws of the State of California and having its principal place of business at the City and County of San Francisco in the State of California.

3. That the ground upon which the Court's jurisdiction depends is that this is a suit in equity arising under the patent laws of the United States. [1*]

4. That heretofore, to wit, on October 4, A. D. 1904, the government of the United States granted, issued and delivered to one Peter C. Nielsen letters patent of the United States for a new and useful invention, to wit, a horn for phonographs and similar machines; that said letters patent bore date October 4, A. D. 1904, and were numbered 771,441, and granted to the said Nielsen and his heirs and assigns the sole and exclusive right to make, use and vend the said invention throughout the United States of America and the territories thereof during the period of seventeen years from said October 4th, A. D. 1904; that a more particular description of the invention patented in and by said letters patent will fully appear from said letters patent which are ready in court to be produced by plaintiff or a duly authenticated copy thereof and of which profert is hereby made.

5. That heretofore, to wit, on January 4th, A. D. 1907, by an assignment in writing plaintiff became and ever since has been and is now the sole owner and holder of said letters patent and all the rights thereby granted.

*Page-number appearing at foot of page of original certified Record.

6. That since January 4th, A. D. 1907, plaintiff has made and sold devices covered and claimed by said letters patent and upon each of said devices has marked the word "Patented" together with the date and number of said letters patent.

7. That heretofore, to wit, on May 9, A. D. 1911, plaintiff herein commenced an action at law in the above-entitled court against Sherman, Clay & Company, a corporation created under the laws of the State of California and doing business in the Northern District of California, and on said [2] last named day filed its declaration whereby it alleged the issuance of the aforesaid letters patent, No. 771,441, to Peter C. Nielsen and the ownership thereof by plaintiff since January 4, A. D. 1907, and that said Sherman, Clay & Company had infringed upon said letters patent whereby plaintiff had been damaged in the sum of Fifty Thousand Dollars and prayed that judgment be rendered against said Sherman, Clay & Company for said damages; that thereafter, to wit, on May 25, A. D. 1911, said Sherman, Clay & Company appeared in said action and filed its answer denying all the allegations in said declaration, and thereafter, to wit, within thirty days before the trial of said action filed a notice in writing under section 4920 of the Revised Statutes of the United States setting up that the said Nielsen was not the first or original or any inventor of the thing patented in and by said letters patent, No. 771,441, but that long prior to the supposed invention thereof by the said Nielsen the thing patented in and by said letters patent, No. 771,441, was shown, described and

patented in and by certain prior letters patent of the United States and of Great Britain which were specified by given numbers, and that long prior to the supposed invention by the said Nielsen the thing patented in and by said letters patent, No. 771,441, had been made, used and sold by and was known to others in this country, and the names of the persons alleged to have had such prior knowledge and use together with the places where the same was used were set up in detail in said notice; that upon the issues so joined the said action at law against Sherman, Clay & Company came on for trial before the above-entitled [3] court and a jury, which said trial commenced on October 1, A. D. 1912, and was concluded on October 4, 1912; that evidence was introduced by both sides, and the case was fully and fairly tried on its merits and after argument by counsel on both sides was submitted to a jury for decision; that thereafter, on October 4, A. D. 1912, said jury returned its verdict in favor of the plaintiff in said action and against Sherman, Clay & Company, the defendant therein, and assessed damages in favor of said plaintiff and against the said defendant at the sum of \$3,578.00; that thereupon a judgment was duly made and entered in favor of the said plaintiff and against the said Sherman, Clay & Company, defendant in said action, for the said sum of \$3,578.00 and costs of suit; that thereafter in due season defendant in said action duly and regularly petitioned said Court for a new trial and after arguments of counsel and due consideration of the matter said Court denied said motion for a new trial; that thereafter the plaintiff in the said suit vol-

untarily remitted from the amount of said damages all of said damages over and above the sum of \$1.00, and the said judgment has never otherwise been changed, altered or modified but is still in full force and effect.

8. That since February 1, A. D. 1909, the defendant herein without the license or consent of plaintiff in the Northern District of California and elsewhere, has sold and is now using and selling horns for phonographs containing and embracing the invention patented in and by the said letters patent, No. 771,441, and thereby has infringed and is now infringing upon said letters patent. [4]

9. That by reason of the infringement aforesaid, the defendant has realized profits and the plaintiff has suffered damages, but the amount of such profits and damages is unknown to plaintiff and can be ascertained only by an accounting.

10. That the plaintiff has requested the defendant to desist from further infringement of said letters patent and to account to plaintiff for the damages suffered by plaintiff and the profits realized by defendant from and by reason of said infringement, but the defendant has failed and refused to comply with said request or any part thereof, and is now extensively selling said infringing horns.

11. That the defendant threatens and intends to continue said infringement during the pendency of this suit and unless restrained therefrom by this court will continue to infringe during the pendency of this suit, whereby plaintiff will suffer great and irreparable injury, for which it has no plain, speedy or adequate remedy at law.

WHEREFORE, plaintiff prays:

First: That upon the filing of this bill a preliminary injunction be granted enjoining and restraining the defendant, its officers, agents, servants and employees, pending the suit and until the further order of the court from making, using or selling, or threatening, or advertising or offering to make, use or sell any horns for phonographs containing the invention patented in and by said letters patent, No. 771,441, and from infringing upon said letters patent in any manner whatever or aiding or abetting or contributing to any such infringement. [5]

Second: That upon the final hearing the defendant, its officers, agents, servants and employees, be permanently and finally enjoined and restrained from making, using or selling any horns for phonographs or other machines containing the invention patented in and by the said letters patent, No. 771,441, and from threatening or advertising or offering to make, use or sell any such horns and from infringing upon said letters patent in any manner whatever, or aiding, abetting or contributing to any such infringement, and that the writ of injunction accordingly be issued out of and under the seal of this court enjoining the defendant, its officers, agents, attorneys, servants and employees as aforesaid.

Third: That it be ordered, adjudged and decreed that the plaintiff have and recover from the defendant the profits realized by the defendant and the damages sustained by the plaintiff from and by reason of the infringement aforesaid, together with costs of suit and such other and further relief as to the

Court may seem proper and in accordance with equity and good conscience.

Fourth: That upon the filing of this bill the writ of subpoena ad respondendum be issued, directed to Pacific Phonograph Company, the defendant herein, commanding it to appear and answer this bill of complaint in accordance with the rules of the Court.

SEARCHLIGHT HORN CO.

By JOHN H. MILLER and
W. K. WHITE,

Solicitors for Plaintiff.

JOHN H. MILLER and
W. K. WHITE,

Of Counsel for Plaintiff,
Crocker Building, San Francisco, Cal.

[6]

United States of America,
Southern District of New York,
County of New York,—ss.

W. H. LOCKE, Jr., being duly sworn, deposes and says that he is the President of Searchlight Horn Company, the complainant in the within entitled action; that he has read the foregoing bill of complaint and knows the contents thereof; that the same is true of his own knowledge, except as to the matters which are therein stated on his information or belief, and as to those matters, that he believes it to be true.

W. H. LOCKE, Jr.

Subscribed and sworn to before me this 1st day of May, 1913.

DANIEL J. BEGLEY,
Notary Public #406, New York.
No. 27,903.

State of New York,
County of New York,—ss.

I, WILLIAM F. SCHNEIDER, clerk of the County of New York, and also clerk of the Supreme Court for the said county, the same being a Court of Record, DO HEREBY CERTIFY THAT DANIEL J. BEGLEY, before whom the annexed deposition was taken, was, at the time of taking the same, a notary public of New York, dwelling in said county, duly appointed and sworn, and authorized to administer oaths to be used in said court in said State, and for general purposes; that I am well acquainted with the handwriting of said notary, and that his signature thereto is genuine, as I verily believe. [7]

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said court and county, the 1st day of May, 1913,

[Seal]

WM. F. SCHNEIDER,
Clerk.

[Endorsed]: Filed May 9, 1913, W. B. Maling,
Clerk. By J. A. Schaertzer, Deputy Clerk. [8]

[Answer.]

*In the United States District Court, Northern
District of California, Second Division.*

IN EQUITY—No. —.

U. S. Patent 771,441.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

THE ANSWER OF PACIFIC PHONOGRAPH
COMPANY, DEFENDANT, TO THE BILL
OF COMPLAINT OF SEARCHLIGHT
HORN COMPANY, PLAINTIFF.

To the Honorable, the Judges of the United States
District Court for the Northern District of Cali-
fornia, Second Division.

This defendant in answer to the bill of complaint
herein, or to so much thereof as it is advised it is
material or necessary for it to make answer to, an-
swering, says:

1. This defendant does not know and is not in-
formed, save by said bill of complaint whether or not
the plaintiff during all the time of the alleged acts
of infringement complained of was or still is a corpo-
ration created under the laws of the State of New
York or having its principal place of business at the
City of New York, State of New York, and, therefore,
denies the same and leaves the plaintiff to make such
proof thereof as it may. [9]

2. Defendant admits that its full name is Pacific Phonograph Company and that it has been and still is a corporation created and existing under the laws of the State of California and having its principal place of business at the city and county of San Francisco in the State of California.

3. Defendant does not know, and is not informed, save by said bill of complaint, whether or not on October 4, A. D. 1904, or at any time heretofore the Government of the United States granted, issued or delivered to one Peter C. Nielsen, Letters Patent of the United States for an alleged new and useful invention, to wit: A horn for phonographs and similar machines, and therefore denies the same and leaves the plaintiff to make such proof thereof as it may; and defendant denies that Letters Patent bearing date of October 4, A. D. 1904, and numbered 771,441 granted to said Peter C. Nielsen, his heirs and assigns, the sole or exclusive right to make, use or vend the said alleged invention throughout the United States of America and the territories thereof during the period of seventeen years from said October 4, A. D. 1904, or for any other time.

4. Defendant does not know, and is not informed save by said bill of complaint, whether or not on January 4, A. D. 1904, or at any other time heretofore, by an assignment in writing, or otherwise, plaintiff became or that plaintiff has since been or is now the sole owner or holder of said Letters Patent, or of any rights granted thereby, and defendant, therefore, denies the same and leaves the plaintiff to make such proof thereof as it may.

5. Defendant does not know and is not informed save by said bill of complaint whether or not since said [10] January 4, A. D. 1907, the plaintiff has made or sold devices covered and claimed by said Letters Patent, or that the plaintiff has marked the word "Patented" together with the date and number of said Letters Patent upon any such devices; and it, therefore, denies the same and leaves the plaintiff to make such proof thereof as it may.

6. Defendant does not know and is not informed save by the bill of complaint:

Whether or not on May 9, A. D. 1911, or at any time heretofore, plaintiff commenced an action at law in the above-entitled court against Sherman Clay & Company, a corporation created under the laws of the State of California, and doing business in the Northern District of California, or whether or not on said last named day it filed its declaration whereby it alleged the issuance of the aforesaid Letters Patent No. 771,441 to Peter C. Nielsen and the ownership thereof by the plaintiff since January 4, A. D. 1907, and that said Sherman, Clay & Company had infringed upon said letters patent whereby plaintiff had been damaged in the sum of Fifty Thousand dollars (\$50,000), and prayed that judgment be rendered against said Sherman, Clay & Company for said damages;

Or whether or not on May 25, A. D. 1911, or at any other time said Sherman, Clay & Company appeared in said action and filed its answer denying all the allegations in said declaration;

Or whether or not thereafter and within thirty

days before the trial of said action, said Sherman, Clay & Company filed a notice in writing under Section 4920 of the Revised Statutes of the United States, stating that said Peter C. Nielsen was not the first or original or any inventor of the [11] thing patented in and by said Letters Patent No. 771,441 and that long prior to the supposed invention thereof by said Peter C. Nielsen, the thing patented in and by the said Letters Patent No. 771,441 was shown, described and patented in any by certain prior letters patent of the United States and of Great Britain, specified by given numbers, and that prior to the supposed invention of said Peter C. Nielsen, the thing patented in and by said Letters Patent No. 771,441 had been made, used and sold by, and was known to others in this country; or whether or not the names of such persons alleged to have had such knowledge and use, together with the places where the same was used, were set up in detail in said notice.

Or whether or not upon any issue joined, the said action at law against Sherman, Clay & Company came on for trial before the above-entitled court and a jury, or whether or not evidence was introduced by either side and the case fully and thoroughly tried on its merits, or whether or not after argument by counsel on either side, the case was submitted to the jury for decision.

Or whether or not thereafter on October 4, A. D. 1912, or at any other time said jury returned its verdict in favor of the plaintiff in said action and against said Sherman, Clay & Company, or assessed damages in favor of said plaintiff and against said defendant

or at the sum of three thousand five hundred seventy-eight dollars (\$3,578) ;

Or whether or not a judgment was duly made and entered in favor of said plaintiff and against said Sherman, Clay & Company or for the said sum of three thousand five hundred seventy-eight dollars (\$3,578) or costs of suit ;

Or whether or not plaintiff petitioned said court for a new trial or whether or not said motion was denied ; [12]

Or whether or not thereafter the plaintiff in said suit remitted voluntarily or otherwise from the amount of said damages, all of said damages over and above the sum of One dollar (\$1.00), or whether or not said judgment has never otherwise been changed, altered or modified, or is still in full force and effect.

Defendant therefore denies the averments recited in Section 7 of the bill of complaint and leaves the plaintiff to make such proof thereof as it may.

7. Defendant further answering denies that since February 1, A. D. 1909, or at any other time, it, the defendant herein, without the license or consent of the plaintiff, in the Northern District of California or elsewhere, has used or sold, or is now using or selling horns for phonographs containing or embracing the alleged invention of said Letters Patent No. 771,441, or that it has committed or is now committing any acts of infringement or otherwise in violation of any rights of the plaintiff under and by virtue of said letters patent.

Defendant further denies that it has realized or

is now realizing any profits or that the plaintiff has suffered or is suffering any damages from or due to any act or acts of infringement or otherwise in violation of any rights of the plaintiff under and by virtue of said letters patent.

8. Defendant further denies that the plaintiff has requested it, the defendant, to desist from infringement of said letters patent or to account to the plaintiff for any damages that have been suffered by the plaintiff or profits [13] that have been realized by defendant from and by reason of any infringement of said letters patent; and defendant further denies that it has failed or refused to comply with any such request or with any part thereof, and denies that it has at any time infringed said letters patent; and defendant denies that it is now selling or has ever sold horns in infringement of said Letters Patent No. 771,441.

9. Defendant further denies that it threatens or intends or has threatened or intended to continue during pendency of this suit or at any other time any act or acts of infringement or otherwise in violation of any right of the plaintiff under and by virtue of said letters patent, and denies that the plaintiff has suffered any injury from any act or acts unlawfully committed by defendant.

10. Defendant alleges, on information and belief, that the alleged improvement in horns for phonographs or similar machines described and claimed in said Letters Patent, No. 771,441 was not an invention at the time when it was produced; that there was no new function or mode of operation or result at-

tained thereby; that there was nothing substantially new therein, and that in view of the state of the art at the date of the alleged invention, it did not require the exercise of any inventive faculty to devise and produce the horn for phonographs or similar articles described and claimed in said letters patent, but merely the exercise of mechanical skill, and that at the time of the alleged invention by the said Peter C. Nielsen and his application for said letters patent, the state of the art was such that there was nothing of patentable novelty in the said alleged improvement in horns or similar machines for phonographs or in any part thereof.

11. Defendant alleges that said Peter C. Nielsen [14] failed to apply to the Commissioner of Patents of the United States for said Letters Patent No. 771,441 in manner and form as by statute required and that he failed to prosecute an application for said letters patent under and in conformity with the law in such cases made and provided.

12. Defendant alleges, on information and belief, that while the application for said Letters Patent, No. 771,441 was pending in the United States Patent Office, the applicant for the said patent so limited and confined the claims of said application that the plaintiff cannot now seek for or obtain a construction for such claims, or any of them, sufficiently broad to cover the construction used and sold by the defendant.

13. Defendant further alleges, on information and belief, that said Letters Patent, No 771,441, are invalid and void for the reason that the said Peter C.

Nielsen was not the original, first or sole inventor or discoverer of the alleged improvement therein described and claimed or of any material and substantial part thereof, and that substantially the same horn for phonographs or similar machines, and all the material parts thereof, and everything alleged to be new or of invention in said Letters Patent, No. 771,441, are clearly shown and described in and by certain patents granted or applied for prior to the alleged invention thereof by said Peter C. Nielsen or more than two years prior to his said application for patent therefor, and also in certain printed publications published prior to the alleged invention thereof by the said Peter C. Nielsen, or more than two years prior to his said application for patent therefor; and that said patents and printed publications together with the dates of the grant [15] and publication thereof are as follows:

UNITED STATES LETTERS PATENT.

No. 72,422, dated December 17, 1867, to George S. Saxton.

No. 165,912, dated July 27, 1875, to William H. Barnard.

No. 181,159, dated August 15, 1876, to Charles W. Fallows.

No. 187,589, dated February 20, 1877, to Emil Boesch.

No. 216,188, dated June 3, 1879, to Thomas W. Irwin et al.

No. 240,038, dated April 12, 1881, to Nathaniel C. Powelson, et al.

No. 274,930, dated April 3, 1883, to Isaac P. Frink.

No. 276,251, dated April 24, 1883, to Philip Lesson.

No. 320,424, dated June 16, 1885, to George W.
Woodward.

No. 337,971, dated March 16, 1886, to Henry Mc-
Laughlin.

No. 362,107, dated May 3, 1887, to Charles R. Pen-
field.

No. 406,332, dated July 2, 1889, to James C. Bayles.

No. 409,196, dated August 20, 1889, to Charles L.
Hart.

No. 427,658, dated May 13, 1890, to James C. Bayles.

No. 453,798, dated June 9, 1891, to Augustus Gers-
dorff.

No. 455,910, dated July 14, 1891, to William J.
Gordon.

No. 491,421, dated February 7, 1893, to Augustus
Gersdorff.

No. 534,543, dated February 19, 1895, to Emile Ber-
liner.

No. 578,737, dated March 16, 1897, to Philip J. Haas.

No. 612,639, dated October 18, 1898, to James Clay-
ton.

No. 648,994, dated May 8, 1900, to Major D. Porter.

No. 651,368, dated June 12, 1900, to John Lanz.

No. 692,363, dated February 4, 1902, to Walter C.
Runge.

No. 699,928, dated May 13, 1902, to Charles Mc-
Veety, et al.

No. 705,126, dated July 22, 1902, to George Osten
et al.

No. 738,342, dated September 8, 1903, to Albert S. Marten.

No. 739,954, dated September 29, 1903, to Gustave Harman Villy.

No. 769,410, dated September 6, 1904, to E. A. Schoettel.

No. 770,024, dated September 13, 1904, to Bartolo Ruggiero et al.

No. 763,808, dated June 28, 1904, to Hollister Sturges. [16]

PRINTED PUBLICATIONS.

The Electrical World, published at New York, N. Y., article on "Berliner Gramophone" pp. 255, 256, issue of Nov. 12, 1887, and article on "The Improved Gramophone," p. 80, issue of August 18, 1888.

A paper read before the Franklin Institute, May 16, 1888, on the Gramophone, by Emile Berliner, published in the Journal of the Franklin Institute at Philadelphia, Pa., June, 1888, and by Rufus H. Darby, printer, in 1894, at Washington, D. C., and many other publications describing Scott's Phonautograph of 1857.

UNITED STATES LETTERS PATENT FOR DESIGNS.

No. 8,824, dated December 7, 1875, to Frederick S. Shirley.

No. 10,235, dated September 11, 1877, to Edward Cairns.

No. 34,907, dated August 6, 1901, to McVeety et al.

UNITED STATES REGISTERED TRADE-
MARK.

No. 31,772, registered July 5, 1898, by John Kaiser.

BRITISH LETTERS PATENT.

No. 9,762, dated July 5, 1888, to Charles Adams
Randall.

No. 14,730, dated 1903, to

No. 17,786, dated August 13, 1902, to Henry Fair-
brother.

No. 20,146, dated September 15, 1902, to Gustave
Harman Villy.

No. 20,567, dated September 20, 1902, to John Mesby
Tourtel.

No. 22,273, dated November 5, 1901, to Walter C.
Runge.

No. 22,612, dated November 13, 1899, to George L.
Hogan.

No. 7,594, dated April 24, 1900, to William Phillips
Thompson.

BELGIAN LETTERS PATENT.

No. 157,009, dated June 10, 1901, to Walter C.
Runge. [17]

No. 163,518, dated May 27, 1902, to Walter C.
Runge.

No. 175,354, dated January 29, 1904, to L. Aneion.

No. 175,785, dated March 1, 1904, to A. Combret.

No. 176,179, dated March 19, 1904, to H. Sieger.

FRENCH LETTERS PATENT.

No. 301,583, dated June 23, 1900, to Jose Guerrero.

No. 318,742, dated February 17, 1902, to M. Turpin.

No. 31,470, dated March 25, 1857, to Leon Scott,
and certificate of addition thereto,
dated July 29, 1859.

PRINTED PUBLICATIONS.

The printed copies of the specifications of the aforesaid several letters patent of the United States published by the Patent Office of the United States in the city of Washington, in the District of Columbia on the dates corresponding with the respective dates of said letters patent of the United States and the printed copies of the specifications of the aforesaid British letters patent published by the Patent Office of Great Britain in the city of London, England, on the dates corresponding with the respective dates of printed publication of the complete specifications of the said several British patents, and the printed copies of the specifications of the aforesaid French letters patent published by the Patent Office of France in the city of Paris, France, on the dates corresponding with the respective dates of publication of the specifications of the said several French patents.

14. Defendant further alleges, on information and belief, that the alleged improvements in horn for phonographs and similar machines described and claimed in said Letters Patent No. 771,441, and all material and substantial parts [18] thereof were, prior to the date of the alleged invention thereof by said Peter C. Nielsen or more than two years prior to his said application for patent therefor, invented by, known to, and in public use or on sale by the fol-

lowing named persons and parties at the following named places, to wit:

John Kaiser of New York, N. Y., at New York, N. Y., and elsewhere.

C. A. Senne of New York, N. Y., at New York, N. Y., and elsewhere.

Henry Staude of New York, N. Y., at New York, N. Y., and elsewhere.

Edward A. Merritt of New York N. Y., at New York, N. Y., and elsewhere.

Bettini Phonograph Company of New York, N. Y., at New York, N. Y., and elsewhere.

Edison Manufacturing Company of West Orange, N. J., at West Orange, N. J., New York, N. Y., and elsewhere.

Walcutt, Miller & Co. and Cleveland Walcutt, of New York, N. Y., at New York, N. Y.

Judge Publishing Company of New York, N. Y., at New York, N. Y., and elsewhere.

Harms, Kaiser & Hagen of New York, N. Y., at New York, N. Y., and elsewhere.

Thomas A. Edison of West Orange, N. J., at West Orange, N. J., and elsewhere.

Mrs. Warren of Buffalo, N. Y., at Buffalo, N. Y. and elsewhere.

Louis Atz of New York, N. Y., at New York, N. Y., and West Orange, N. J., and elsewhere.

Peter Bacigalupi, of San Francisco, Cal., at San Francisco, Cal., and elsewhere and I. W. Norcross of San Francisco, Cal., at New York, N. Y., and elsewhere.

Edward A. Schoettel of Brooklyn, N. Y., at Brooklyn, N. Y., New York, N. Y. and elsewhere.

George S. Saxton of St. Louis, Missouri, at said St. Louis, and elsewhere.

William H. Barnard of Sedalia, Missouri, at said Sedalia, and elsewhere.

Charles W. Fallows of Philadelphia, Pennsylvania, at said Philadelphia and elsewhere. [19]

Ellsworth A. Hawthorne, of Bridgeport, Conn., at Philadelphia, Pa. and elsewhere.

Horace Sheble of Philadelphia Pa., at said Philadelphia and elsewhere.

Emil Boesch of San Francisco, California, at said San Francisco and elsewhere.

Thomas W. Irwin of Alleghany, Pennsylvania, at said Allegheny and elsewhere.

George K. Reber of Pittsburg, Pennsylvania, at said Pittsburg and elsewhere.

Nathaniel C. Powelson of Brooklyn, New York, at said Brooklyn, and elsewhere.

Charles Deavs of New York, New York, at said New York and elsewhere.

Isaac P. Frink of New York, New York, at said New York and elsewhere.

Philip Lesson of Newark, New Jersey, at said Newark and elsewhere.

George W. Woodward of Brooklyn, New York, at said Brooklyn and elsewhere.

Henry McLaughlin of Bangor, Maine, at said Bangor and elsewhere.

Charles R. Penfield of Rochester, New York, at said Rochester and elsewhere.

James C. Bayles of New York, New York, at said New York and elsewhere.

Charles L. Hart of Brooklyn, New York, at said Brooklyn and elsewhere.

Augustus Gersdorff of Bridgeton, New Jersey, at said Bridgeton and elsewhere.

William J. Gordon of Philadelphia, Pennsylvania, at said Philadelphia and elsewhere.

Augustus Gersdorff of Washington District of Columbia, at said Washington and elsewhere.

Philip J. Haas of Marengo, Iowa, at said Marengo and elsewhere.

James Clayton of New York, at said New York and elsewhere.

Major D. Porter of New Haven, Connecticut, at said New Haven and elsewhere.

John Lanz of Pittsburg, Pennsylvania, at said Pittsburg and elsewhere.

Charles McVeety of Philadelphia, Pennsylvania, at said Philadelphia and elsewhere.

John F. Ford of Philadelphia, Pennsylvania, at said Philadelphia and elsewhere.

George Osten of Denver, Colorado, at said Denver and elsewhere.

William P. Spalding of Denver, Colorado, at said Denver, and elsewhere. [20]

Bartolo Ruggiero and Gaetano Bongiorrio of Brooklyn, N. Y., at said Brooklyn and elsewhere.

Hollister Sturges of New York, N. Y., at said New York and elsewhere.

Albert S. Martin of East Orange, New Jersey, at

said East Orange and at Newark, N. J., and elsewhere.

Frederick S. Shirley of New Bedford, Massachusetts, at said New Bedford and elsewhere.

Edward Cairns of Morristown, New Jersey, at said Morristown and elsewhere.

Walter H. Miller of Orange, New Jersey, at New York, N. Y., West Orange, N. J., and elsewhere.

Alexander N. Pierman of Newark, New Jersey, at West Orange, New Jersey, and elsewhere.

Edward W. Meeker of Orange, New Jersey, at West West Orange, New Jersey, and elsewhere.

Harvey N. Emmons of East Orange, New Jersey, at West Orange, New Jersey, and elsewhere.

Arthur Collins of New York, New York, at West Orange, New Jersey, and elsewhere.

John Riley of West Orange, New Jersey, at said West Orange, and elsewhere.

James Burns of West Orange, New Jersey, at said West Orange and elsewhere.

Frederick S. Brown of Montclair, New Jersey, at West Orange, New Jersey, and elsewhere.

C. J. Eichhorn of Newark, New Jersey, at said Newark and elsewhere.

Leonard Terhune of Orange, New Jersey, at Newark, New Jersey, and elsewhere.

George C. Magill of Newark, New Jersey, at said Newark and elsewhere.

Peter Schoeppple of Newark, New Jersey, at said Newark and elsewhere.

John H. B. Conger of Newark, New Jersey, at said Newark and elsewhere.

Thomas H. Brady of New Britain, Connecticut, at said New Britain and elsewhere.

August Doig of New Britain, Connecticut, at said New Britain and elsewhere.

William J. Noble of New Britain, Connecticut, at said New Britain and elsewhere.

James Connelly of New Britain, Connecticut, at said New Britain and elsewhere.

Thomas A. Edison, Incorporated (formerly named National Phonograph Company), a corporation organized and existing under and by virtue of the laws of the State of New Jersey and having its principal place of business in West Orange in said State, at said West Orange and elsewhere.

John W. George, of Bridgeport, Conn., at Philadelphia, Pa., and elsewhere. [21].

Tea Tray Company, a corporation organized and existing under and by virtue of the laws of the State of New Jersey and having its principal place of business in Newark in said State, at Newark and elsewhere.

Noble & Brady of New Britain, Connecticut, at said New Britain and elsewhere.

New Jersey Phonograph Company, a corporation organized and existing under and by virtue of the laws of the State of New Jersey and having its principal place of business in Newark in said State, at said Newark and elsewhere.

North American Phonograph Company, a corporation organized and existing under and by virtue of the laws of the State of New Jersey and hav-

ing its principal place of business in Jersey City in said State, at said Jersey City and elsewhere.

15. Defendant further says that it has been diligent in ascertaining and setting forth herein instances of prior knowledge, invention, public use, publication and patenting of the invention set forth and claimed in said letters patent No. 771,441, yet believes many further instances exist and prays leave to add the same when ascertained.

16. Defendant alleges that for the purpose of deceiving the public, the description and specification of the alleged invention filed by the said Nielsen in the Patent Office was made to contain less than the whole truth relative to his alleged invention or discovery, and that the description of the alleged invention in the specification is not in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it appertains to make, construct and use the same.

17. Defendant further alleges, on information and belief, that said letters patent No. 771,441 are invalid and [22] void because the alleged invention attempted to be patented thereby was at the time it was produced and is now without utility.

18. Defendant further avers and states that the claims as issued in said letters patent No. 771,441 are not distinct, in that they do not particularly point out and distinctly claim the part, improvement, or combination which the said alleged inventor claims as his invention or discovery.

19. Defendant further alleges, on information and belief, that said letters patent No. 771,441 are

invalid and void because the alleged invention attempted to be patented thereby had been abandoned to the public prior to the date of the application for said letters patent.

And now, this defendant having answered all and singular those portions of the bill of complaint that it is material and necessary to answer, denies all and all manner of things in the said bill alleged which are not hereinbefore specifically answered unto; and it prays to be hence [23] dismissed with its reasonable costs and charges herein most wrongfully sustained.

PACIFIC PHONOGRAPH COMPANY.

By A. R. POMMER,

President.

H. C. SCHAERTZER and

D. HADSELL,

Solicitors for Defendant.

LOUIS HICKS,

Of Counsel for Defendant.

State of California,

City and County of San Francisco,—ss.

A. R. POMMER, being duly sworn, deposes and says: That he is the president of Pacific Phonograph Company, a corporation organized and existing under the laws of the State of California, defendant in the above-entitled suit; that he has read the foregoing answer and knows the contents thereof and that the same is true to his knowledge, except as to the matters which are therein stated to be alleged on information and belief and that as to those mat-

ters he believes it to be true.

A. R. POMMER.

Sworn and subscribed to before me this 20th day of May, 1913.

[Seal]

J. D. BROWN,

Notary Public, County of San Francisco, State of California. [24].

Copy of the within answer received May 29th, 1913.

MILLER & WHITE,

Attys. for Plff.

[Endorsed]: Filed May 29, 1913. W. B. Maling, Clerk. By T. A. Schaertzer, Deputy Clerk. [25]

District Court of the United States, Northern District of California, Second Division.

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Amended Answer.

Defendant by leave of Court hereby amends its answer herein, as follows:

I.

By adding the following letters patent and publications to those set forth in paragraph 13 of its answer herein:

UNITED STATES LETTERS PATENT.

No. 632,015 patented Aug. 29, 1899, to Geo. L. Hogan.

No. 647,147 patented April 10, 1900, to F. Myers.

No. 725,815 patented April 21, 1903, to W. Barnes.

No. 748,969 patented Jan. 5, 1904, to C. Melville.

No. 770,024 patented Sept. 13, 1904, to B. Ruggiero et al.

LETTERS PATENT OF GREAT BRITAIN.

No. 9727 of 1901 to W. C. Runge.

No. 5186 of 1903 to F. C. Cockman.

No. 14730 of 1903 to J. M. Tourtel.

LETTERS PATENT OF FRANCE.

No. 321,507 of May 28, 1902, to W. C. Runge.

No. 331,566 of April 28, 1903, to W. T. P. Hollingsworth.

PUBLICATIONS.

“The Theory of Sound in Its Relation to Music,” pp. 156–158, published in New York in 1876 by D. Appleton & Co.

The Phonographische Zeitschrift, Pages 275, 276, 286, 287, published in Berlin, Germany, May 20, 1903. [26]

The Edison Phonograph Monthly, article on Megaphorn, published in New York, N. Y., in June, 1903.

II.

By adding the following names and addresses to those set forth in paragraph 14 of its answer herein:

Peter E. Petersen of New York, N. Y., at New York, N. Y., and elsewhere.

C. D. Emerson of New York, N. Y., at New York, N. Y., and elsewhere.

Hawthorne & Sheble of Philadelphia, Pa., at Philadelphia, Pa., and elsewhere.

Hawthorne & Sheble Mfg. Co., of Philadelphia, Pa., at Philadelphia, Pa., and elsewhere.

American Graphophone Co., Columbia Phonograph Co., William Edwin Parker, Eugene Henry Byrnes, and McDonald, of Bridgeport, Conn., at Bridgeport, Conn., New York, N. Y., and elsewhere.

Paul Kohler, Duffy & Clark, John King, John King, Jr., Robert Seigfried, Christopher Coulter, Mr. Keely and others of Pittsburg, Pa., at Pittsburg, Pa., and elsewhere.

D. HADSELL,

Solicitor for Defendant.

LOUIS HICKS,

Of Counsel for Defendant. [27]

State of California, \

City and County of San Francisco,—ss.

A. R. Pommer, being duly sworn, deposes and says: That he is the president of the Pacific Phonograph Company, a corporation, organized and existing under and by virtue of the laws of the State of California, defendant in the above-entitled suit; that he has read the foregoing amended answer and knows the contents thereof and that the same is true of his knowledge, except as to the matters therein stated *on* to be alleged on information and belief and as to those matters he believes the same to be true.

A. R. POMMER.

Subscribed and sworn to before me this 4th day of December, A. D. 1913.

[Seal]

J. D. BROWN,

Notary Public in and for the City and County of San Francisco, State of California.

Service of the within Amendment by copy is hereby admitted this 5th day of Dec. 1913.

MILLER & WHITE,

Attorneys for Plff.

[Endorsed]: Filed December 5, 1913. W. B. Maling, Clerk. By J. A. Schaertzer, Deputy Clerk.

[28]

In the District Court of the United States, for the Northern District of California, Second Division.

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

**Defendant's Petition to Enjoin Prosecution of Suits
for Infringement.**

To the Honorable, the Judges of the Above-entitled Court:

Comes now the above-named defendant and gives this Honorable Court to understand and be informed:

I.

That the above-entitled suit is for the infringe-

ment of United States Letters Patent No. 771,441, particularly claims 2 and 3 thereof, by defendant—Pacific Phonograph Company, who is a dealer in musical instruments and musical supplies generally, for Phonographic Horns which the said defendant as a dealer purchased from the said Thomas A. Edison, Inc., for use in connection with talking machines sold by musical dealers generally.

II.

That the present suit was filed in this court on or about the 9th day of May, 1913, and a preliminary injunction prayed for, which injunction was granted on the 24th day of June, 1913. That an appeal was duly taken to the United States *Circuit of Appeals* for the Ninth Circuit from the order of this court granting the said preliminary injunction, which appeal was argued [29] before the said Court of Appeals and submitted to said court. That on the 4th day of May, 1914, the said Court of Appeals rendered its decision affirming the decree of this court in the granting of the said preliminary injunction.

III.

That immediately after the rendition of the said decision by the said Circuit Court of Appeals relative to said above-mentioned appeal, the plaintiff herein, the Searchlight Horn Company commenced an action in Equity Suit No. 575, in the District Court of the United States for the District of New Jersey, against the Thomas A. Edison, Inc., for infringement of the said United States Letters Patent No. 771,441, in suit herein, charging in and by its bill of complaint that the said Thomas A. Edison, Inc.,

had infringed the said letters patent, and more particularly claims two and three thereof, by the said of phonographic horns of the same kind and identical with those supplied by the said Thomas A. Edison, Inc., to the said defendant herein, Pacific Phonograph Company, and complained of as being an infringement of the letters patent in suit herein.

IV.

That in and by the bill of complaint filed in said Equity Suit No. 575, now pending in the said District Court of the United States for the District of New Jersey, prayer was made that the defendant to said action, the said Thomas A. Edison, Inc., be decreed to account for and pay over unto the plaintiff thereto, Searchlight Horn Company, all the gains and profits realized by the said defendant by reason of said alleged infringement of said letters patent No. 771,441.

V.

That the defendant, Thomas A. Edison, Inc., duly filed [30] its answer to the bill of complaint, *re* Equity Suit No. 575, and the said suit has been at issue ever since.

VI.

That in connection with said suit No. 575, the defendant thereto, the Thomas A. Edison, Inc., has taken its testimony under stipulation herein that the testimony taken by the defendant to the present suit may be used on behalf of the said defendant to Equity Suit No. 575, now pending in the District Court of the United States for the District of New

Jersey, and the said Equity Suit No. 575 is now ready for hearing.

VII.

That your petitioner, the defendant herein, Pacific Phonograph Company, is one of the many hundred of dealers of the Thomas A. Edison, Inc., located and doing business throughout the territory of the United States of America, and shows unto your Honors that all of the phonographic horns complained of herein as infringement of the said letters patent in suit herein are phonographic horns purchased by the said defendant, Pacific Phonograph Company from the said Thomas A. Edison, Inc., defendant to said Equity Suit No. 575.

VIII.

That your petitioner, defendant herein, Pacific Phonograph Company, is not engaged at this time and has not been for a long time past engaged in the selling of the said alleged infringing phonographic horns.

IX.

That in addition to the present suit pending against the defendant herein, one of the dealers of the Thomas A. Edison, Inc., there is now pending in this court, Equity Suit No. 7, [31] brought by the plaintiff herein against Babson Brothers, Inc., another dealer of the said Thomas A. Edison, Inc., said suit alleging infringement by said Babson Brothers, Inc., of the letters patent in suit herein for the same identical horns herein complained, and the same identical horns sold by the said Thomas A. Edison, Inc., and alleged in said pending Equity Suit No. 575,

to be an infringement of the letters patent herein.

X.

That the said plaintiff, Searchlight Horn Company, has threatened and still threatens and continues to threaten to bring many other similar suits against dealers of the Thomas A. Edison, Inc., defendant to said pending action No. 575, and that unless restrained by this Honorable Court, will bring such suits and will prosecute the same, and will continue to prosecute the suits heretofore brought against said dealers.

XI.

That the said defendant to pending Equity Suit No. 575, Thomas A. Edison, Inc., is financially able to respond on an accounting to any judgment which may be rendered against it in connection with said pending suit No. 575, and whereas all of the phonographic horns complained of in the present case and equally so in the pending case against Babson Brothers, Inc., are phonographic horns sold by the said Thomas A. Edison, Inc.; they are each and all of them subject to said accounting on any judgment which may be obtained in said pending Equity Suit No. 575, and are all subject to any such accounting and must be accounted for by the said Thomas A. Edison, Inc., in said suit No. 575.

XII.

That the defendant herein is not a manufacturer of [32] the phonographic horns herein complained of as an infringement of said letters patent in suit herein, but on the contrary, is merely one of the many dealers of the Thomas A. Edison, Inc., and procured

from said company, each and all of the phonographic horns herein complained of.

XIII.

That your petitioner, Pacific Phonograph Company shows unto your Honors that the plaintiff herein, Searchlight Horn Company, is not at this time engaged in the manufacture and sale of the phonographic horns covered by the letters patent in suit herein and has not been so engaged since the month of May, 1908.

XIV.

That your petitioner, Pacific Phonograph Company, shows unto your Honors that the plaintiff herein, the Searchlight Horn Company, when engaged in business prior to the month of May, 1908, manufactured and sold its patented phonographic horns to dealers throughout the United States, and was not a user of the same, but that said plaintiff derived its profit, whatever the same may have been, from its patented phonographic horns, solely by the manufacture and the unconditional sale thereof direct to the dealers engaged throughout the United States in the handling of said goods, and that upon the satisfaction by the said Thomas A. Edison, Inc., of any judgment which may be rendered upon an accounting obtained in connection with said Equity Suit No. 575 now pending in the District Court of the United States for the District of New Jersey, the infringing phonographic horns sold by said Thomas A. Edison, Inc., to its numerous dealers throughout the United States will be released from the patent monopoly, and the defendant herein and

other alleged infringing dealers of the said [33] Thomas A. Edison, Inc., in this circuit and elsewhere throughout the United States, will not be liable to the Searchlight Horn Company, plaintiff herein.

XV.

That if the said Searchlight Horn Company be not restrained by this court from continuing the prosecution of the present suit, and from bringing other suits of a like nature against dealers in this circuit of the said Thomas A. Edison, Inc., irreparable injury and damage will result, by the loss to the said Thomas A. Edison, Inc., of its dealers, who, on account of the harassment, annoyance and expense occasioned by the acts of the said Searchlight Horn Company, will fall away from the said Thomas A. Edison, Inc., and will cease to patronize the said company in the purchase of any and all machinery and accessories of every kind and nature incident to the talking machine business, and outside of and wholly foreign to the phonographic horns in question herein, for your petitioner shows unto your Honors that the said Thomas A. Edison, Inc., is a manufacturer and seller of talking machines and accessories thereto and manufacturers and sells many machines and apparatus in this line which have nothing to do with and are wholly foreign to the phonographic horns of the alleged letters patent in suit herein.

XVI.

That your petitioner, Pacific Phonograph Company, shows to your honors that the purpose of the said Searchlight Horn Company in the acts and course which it is pursuing and threatens to pursue,

is to harass and annoy dealers of the Thomas A. Edison, Inc., and to harass and annoy the said Thomas A. Edison, Inc., and to put the said company, and equally so your petitioner and dealers generally [34] of the said Thomas A. Edison, Inc., to needless expense by being called upon to defend a multiplicity of suits for alleged infringement of the letters patent in suit herein.

Inasmuch, therefore, as your petitioner is without any remedy, except in a court of equity, your petitioner prays for an order enjoining the said Searchlight Horn Company, the plaintiff herein, from further prosecuting the said suit above named, and from bringing any more suits of a like nature against dealers in phonographic horns supplied by the Thomas A. Edison, Inc., for the infringement of said patent in suit herein, and sold to them by the said Thomas A. Edison, Inc., said injunction order to be continued until rendition of the judgment of the said District Court of the United States for the District of New Jersey, and upon the Master's report on an accounting of any such judgment as may be obtained by the plaintiff, Searchlight Horn Company, in connection with said Equity Suit No. 575, now pending in said District Court of the United States for the District of New Jersey, and your petitioner further prays that your Honors issue a restraining order against the said Searchlight Horn Company in the aforesaid matters until this petition is, upon proper motion herewith accompanying, heard and determined by your Honors.

And your petitioner will ever pray.

PACIFIC PHONOGRAPHIC CO.

By N. A. ACKER and

D. HADSELL,

Solicitors and Counsel for Defendant.

City and County of San Francisco,

State of California,—ss.

A. R. POMMER, being duly sworn, on oath says:

[35]

That he is the President of the Pacific Phonograph Company named in the foregoing petition to enjoin prosecution of suits for infringement; that he has read the petition and knows the contents thereof, and that the same is true of his own knowledge.

A. R. POMMER.

Subscribed and sworn to before me this 17th day of August, 1914.

[Seal]

LESTER G. BURNETT,

Notary Public in and for the city and county of San Francisco, State of California.

Due service and receipt of a copy of the within Pêtition is hereby admitted this 17 day of August, 1914.

MILLER & WHITE,

Attys. for Plff.

[Endorsed]: Filed August 17, 1914. Walter B. Maling, Clerk. [36]

*In the District Court of the United States, for the
Northern District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Notice of Motion.

To Searchlight Horn Company and Messrs. Miller
& White (Its Attorneys), Crocker Building,
San Francisco, California:

Gentlemen:

You will please take notice that on Monday, the 24th day of August, 1914, at 10 o'clock in the morning or as soon thereafter as counsel can be heard, defendant will move this Court at the courtroom thereof, in the city and county of San Francisco, State of California, for an order enjoining you, the said Searchlight Horn Company, from the further prosecution of the above-entitled infringement suit brought against this defendant—Pacific Phonograph Company, and from bringing or instituting within the jurisdiction of this court any other suit or suits of a similar nature for infringement against dealers of Thomas A. Edison, Incorporated, from whom the alleged infringing Phonographic Horns were purchased, and against which said Thomas A. Edison, Incorporated, there is now pending in the

District Court of the United States for the District of New Jersey, Equity Suit No. 575, brought by the plaintiff herein—Searchlight Horn Company against the said Thomas A. Edison, Incorporated, for infringement of United States [37] Letters Patent, 771,441, the said letters patent being the same as the letters patent involved in the present suit, and alleged to have been infringed by the defendant herein; the injunctive order herein asked for to continue and remain in full force and effect until accounting is had on any judgment which may be obtained against the Thomas A. Edison, Incorporated, in the above-mentioned Equity Suit No. 575 now pending in the District Court of the United States for the District of New Jersey.

Said motion is based, and we will reply at the hearing thereon, upon the records and proceedings in this case, the affidavit of A. R. POMMER, D. HADSELL and the records of this court in that certain action at law No. 15,326, entitled “Searchlight Horn Company vs. Sherman Clay & Company,” and defendant’s petition for an order enjoining the prosecution of this suit for infringement—all of which are served herewith.

PACIFIC PHONOGRAPH COMPANY.

By N. A. ACKER and
D. HADSELL.

San Francisco, California, August 17th, 1914.

*In the District Court of the United States, for the
Northern District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Affidavit of A. R. Pommer.

City and County of San Francisco,
State of California,—ss.

A. R. Pommer, of the city and county of San Francisco, State of California, being first duly sworn, deposes and says:

That during all of the times hereinafter mentioned he was and still is the president of the above-named defendant corporation, Pacific Phonograph Company, and as such has full access to the books of the said company; that as the president he has sole charge of the Talking Machine Department of the business of the said defendant corporation; that he was at all times heretofore and is now familiar with all the business of said defendant corporation connected with said Talking Machine Department; that the said Pacific Phonograph Company is the defendant to the above Equity Suit No. 18, filed in this court on the 9th day of May, 1913, by the Searchlight Horn Company for infringement by the said Pacific

Phonograph Company of United States Letters Patent 771,441 involved herein by the sale of phonographic horns; that a preliminary injunction was granted by this court in the present case on the 24th day of June, 1913, from the granting of which injunction [39] order, an appeal was taken to the United States Circuit Court of Appeals for the Ninth Circuit, and said Court rendered its opinion on the 4th day of May, 1914, affirming the order of this Court in granting the said preliminary injunction; that since the rendition of the said decision of the said United States Circuit Court of Appeals, the defendant herein has not sold nor offered for sale any of the phonographic horns alleged in the bill of complaint herein to be an infringement of plaintiff's letters patent No. 771,441; that all of the phonographic horns complained of herein as being infringement of said United States Letters Patent No. 771,441, are phonographic horns purchased by the defendant herein from the Thomas A. Edison, Inc., a corporation located and doing business at Orange, New Jersey, which said company has been marketing, selling and offering for sale said phonographic horns complained of herein to dealers generally throughout the United States since the year 1905, and has largely distributed the said horns throughout the United States to a large number of dealers handling such class of goods; that said sale by the Thomas A. Edison, Inc., of the phonographic horns herein complained of was well known to the plaintiff herein, the Searchlight Horn Company; that the plaintiff herein, Searchlight Horn Company, was not

at the time of the commencement of this suit and is not at this time, as affiant is informed and believes, engaged in the manufacture and sale to dealers of the phonographic horns of the letters patent in suit herein, and the said Searchlight Horn Company has not been so engaged in the manufacture and sale of said patented phonographic horns since about the month of May, 1908.

Affiant further says that since the commencement of the present suit and immediately after the rendition of the said decision [40] of the United States Circuit Court of Appeals affirming the decision of this court in the granting of the before mentioned preliminary injunction in this case, the plaintiff herein, Searchlight Horn Company, instituted and commenced in the District Court of the United States for the District of New Jersey, Equity Suit No. 575, to which suit the before mentioned Thomas A. Edison, Inc., is made the party defendant; that in said mentioned Equity Suit No. 575 the plaintiff herein and to said suit charged infringement by the said Thomas A. Edison, Inc., of the United States letters patent in suit herein by the sale of the phonographic horns complained of in the present suit as being an infringement of the said letters patent in suit; that answer was filed by defendant to said Equity Suit No. 575 on or about June 27th, 1914, and ever since said case has been at issue; that in said Equity Suit No. 575, a large amount of testimony has been taken, amounting to more than six hundred pages, and affiant is informed that under a stipulation in the present case, that the testimony taken herein and which

at this time has been taken by defendant herein, shall and may be used as testimony in the defense of said Equity Suit No. 575, and that said Equity Suit No. 575 is now ready for hearing so far as relates to the defendant thereto;

Affiant further states that the complainant herein, Searchlight Horn Company, when engaged prior to the month of May, 1908, in the manufacture of the said phonographic horn of the letters patent in suit herein, derived its revenue, whatever the same may have been, by the unconditional sale of the said patented phonographic horns so manufactured, through the usual channels of trade to dealers throughout the United States engaged in the handling of phonographic horns for use in connection with talking machines; [41]

Affiant further says that in and by its bill of complaint filed in said Equity Suit No. 575 now pending and ready for hearing in the District Court of the United States for the District of New Jersey, the plaintiff herein, and plaintiff to said suit against the Thomas A. Edison, Inc., asked and prayed that the said Thomas A. Edison, Inc., be restrained and enjoined from infringing the letters patent in suit therein which are the letters patent herein involved, and be decreed to account for and pay over unto the Searchlight Horn Company the gains and profits realized by the Thomas A. Edison, Inc., and in addition thereto, the damages sustained by the said Searchlight Horn Company by reason of the alleged infringement of said letters patent, together with cost of suit.

Affiant further says that the said Thomas A. Edison, Inc., defendant to said Equity Suit No. 575, is financially able to respond to any judgment which may be rendered against it on an accounting had and obtained by the plaintiff, Searchlight Horn Company in said pending Equity Suit No. 575, and that whereas all the phonographic horns complained of in the present suit are horns supplied by the said Thomas A. Edison, Inc., to the said Pacific Phonograph Company, a dealer thereof, they are each and all subject to any accounting which may be had in said Equity Suit No. 575, and must be accounted for in said case.

Affiant further states that the Thomas A. Edison, Inc., is willing and well able to respond unto the plaintiff, Searchlight Horn Company, to all and any sums which the Master may find due unto the said plaintiff, on an accounting on any judgment in said Equity Suit No. 575 rendered against the Thomas A. Edison, Inc., in connection with each and all of said alleged infringing phonographic horns. [42]

Affiant further states that in addition to the present equity suit brought by plaintiff, Searchlight Horn Company against the defendant herein, dealer of the Thomas A. Edison, Inc., the plaintiff hereto has pending in this court, a further suit against Babson Brothers, Inc., a dealer of the Thomas A. Edison, Inc., for infringement of the letters patent herein, by the sale of the same identical type of phonographic horns herein complained of, and which horns involved in said mentioned suit are horns supplied to the said Babson Brothers, Inc., by the said

Thomas A. Edison, Inc.

Affiant further states that all of the phonographic horns referred to in the various suits before mentioned are horns supplied to the defendants thereto as dealers by the said Thomas A. Edison, Inc.

Affiant further says that to permit the suits herein to be continued and prosecuted at this time against dealers of the Thomas A. Edison, Inc., will create a needless and heavy expense to the various defendants, and to this defendant, which expense is needless at this time, inasmuch as the entire matter can be settled and adjusted before the Master on an accounting from any judgment which may be obtained against the Thomas A. Edison, Inc., defendant to said pending Equity Suit No. 575, and that such an accounting will dispose of the entire matter in so far as the same relates to the dealers of the Thomas A. Edison, Inc., and give unto the plaintiff herein all that it is justly entitled to for each and every of the alleged infringing phonographic horns supplied by the said Thomas A. Edison, Inc., to its various dealers located throughout the United States, and for each and every of the alleged infringing phonographic horns sold by this defendant, Pacific Phonograph Company. [43]

That plaintiff herein receives no revenue from the patented phonographic horns of the patent in suit by way of royalties under any license agreement entered into prior to the commencement of any of the suits herein mentioned, or the granting of licenses for the use of the said patented phonographic horns; the entire profit made by the plaintiff herein when

engaged in the manufacture of said patented article being, as above stated, derived by the manufacture and outright sale of the said horns to musical dealers throughout the United States handling such class of goods.

Further affiant saith not.

A. R. POMMER.

Subscribed and sworn to before me this 17th day of August, 1914.

[Seal] LESTER G. BURNETT,
Notary Public in and for the City and County of San
Francisco, State of California. [44]

*In the District Court of the United States, for the
Northern District of California, Second Division.*

IN EQUITY.—No. 18.

SEARCHLIGHT HORN COMPANY,
Plaintiff,
vs.

PACIFIC PHONOGRAPH COMPANY,
Defendant.

Affidavit of D. Hadsell.

State of California,
City and County of San Francisco,—ss.

D. HADSELL, being duly sworn, deposes and says:

That he is a resident of the City of Berkeley, County of Alameda, State of California and is en-

gaged in the City and County of San Francisco, in the practice of law;

That since the commencement of the present suit and up to June 10, 1913, the defense of the present action was under the control of Henry C. Schaertzer, Esq., who died on the 19th day of July, 1913; that since the 19th day of July, 1913, affiant has acted as local counsel relative to the said suit, his services being merely for the purpose of serving and accepting papers in connection with the said suit and advising with the eastern attorney having charge thereof, relative to the condition of the case as pending in this court; that heretofore, the case has been under the control, charge and supervision of one Louis Hicks, Esq., of New York City;

That the appeal to the Circuit Court of Appeals of the Ninth Circuit from the granting of the preliminary injunction [45] of this case was argued by the said Louis Hicks and shortly thereafter, to wit, about the month of March, 1914, the said Louis Hicks died in the city of New York; that affiant was not advised until a communication, dated June 18th, 1914, that other counsel had taken sole charge of the present litigation; affiant being informed by said communication that the firm of Gifford & Bull, 141 Broadway, had been retained to take charge as general counsel of the cases pending in this circuit against the vendees of the Thomas A. Edison, Inc.;

That affiant is not familiar with the practice of the patent law and at no time during his connection with the present case, has he deemed himself qualified to present the merits of the defendants to this

action, but, in this connection, has relied solely upon the eastern attorneys having charge of the action, and under whose supervision he has rendered his services;

That after the calling of the present term calendar, the eastern counsel were notified that the case had been set down for hearing on the 25th day of the present month, said term calendar having been called on the 10th day of the present month; that late in the afternoon of Wednesday, the 12th day of August, 1914, affiant received a telegram from Messrs. Gifford & Bull, General Counsel having charge of the pending suit, instructing affiant to consult with N. A. Acker of San Francisco relative to the present suit and the condition thereof in this court, for the purpose of ascertaining what was necessary to be done; that as soon as practical after the receipt of said telegram, affiant communicated with Mr. Acker and arranged for a consultation in order to ascertain what had been done in connection with the pending case of the complainant herein against Sherman, Clay & Company, affiant knowing [46] that the case of Searchlight Horn Company against Sherman, Clay & Company had been set down for hearing on the same day as that of the present suit, and was to be heard in advance thereof;

He was advised by Mr. Acker that a telegram had been received by him from Messrs. Gifford & Bull, asking him to prepare a motion for presentation of the same kind and character as that which had been presented in connection with the case of Searchlight Horn Company vs. Sherman, Clay & Company,

which motion, affiant was advised, was for a petition to restrain the prosecution of the suit against Sherman, Clay & Company pending the determination of a suit pending in the eastern circuit against the Victor Talking Machine Company, of which company, the Sherman, Clay & Company was a vendee; that to affiant's knowledge, the defendant to the present action, the Pacific Phonograph Co. is a vendee of the Thomas A. Edison, Inc., and that horns heretofore offered for sale by the said Pacific Phonograph Company, are horns which it secured as a dealer from the said Thomas A. Edison, Inc.

Affiant is informed and states the fact to be that there is now pending in the United States District Court for the District of New Jersey, Equity Suit No. 575, entitled Searchlight Horn Company vs. Thomas A. Edison, Inc., and that the testimony heretofore taken on behalf of the defendant and the testimony in said cause, now being taken in the east is to be used as testimony not only in the present cases, but in the action now pending in the District Court of the United States for the District of New Jersey;

That the equity suit now pending against the said Thomas A. Edison, Inc., in the District Court of the United States for the District of New Jersey is as far advanced for presentation to the [47] Court as the present case now pending in this court, and at the conclusion of the testimony now being taken, the said suit pending in the District Court of the United States for the District of New Jersey is ready to be

set for hearing at the will of the complainant of said action;

Affiant further states he believed and had every reason to believe that additional testimony was necessary and was being taken in connection with the said pending suit, and that when requested by the counsel for the complainant herein to stipulate that the case might be restored to the present term calendar, he was under the impression that said attorneys and the general attorneys for the defendant herein had completed the taking of all testimony and arranged between themselves that the case was in condition for trial, and that had he had knowledge that the testimony had not been completed, he would not have signed such stipulation, and that on the calling of the calendar, would have objected to the case being set down for hearing on the grounds that the testimony had not been completed.

Affiant further states that since the setting of this cause for trial he has been informed and he therefore believes and alleges the fact to be that the plaintiff herein commenced to take rebuttal testimony in this cause in the City of Pittsburg, Pa., on August 14, 1914, and from there will adjourn to Cleveland, Ohio, to take further rebuttal testimony, and from there will adjourn to Warren City, Ohio, to complete the taking of said testimony; that it will be impossible to complete the taking of said testimony and have the same transcribed and delivered to the clerk of this court until after August 25th, 1914.

D. HADSELL. [48]

Subscribed and sworn to before me this 17 day of August, 1914.

[Seal] LESTER G. BURNETT,
Notary Public in and for the City and County of San
Francisco, State of California.

Due service and receipt of a copy of the within Notice of Motion is hereby admitted this 17 day of August, 1914.

MILLER & WHITE,
Attys. for Plff.

[Endorsed]: Filed August 17, 1914. Walter B. Maling, Clerk. [49]

*In the District Court of the United States, for the
Northern District of California, Second Division.*

IN EQUITY.—No. 18.

SEARCHLIGHT HORN COMPANY,
Plaintiff,

vs.

PACIFIC PHONOGRAPH CO.,
Defendant.

Stipulation for Continuance.

It is hereby stipulated and agreed by and between the parties to the above-entitled suit that the trial of the said case which has heretofore been set for August 25, 1914, be postponed until the November, 1914 term of said court, and that at said November, 1914 term the case shall be tried without further ob-

jection from defendant or any further motion for a continuance.

And in consideration of the making of the above stipulation on the part of the plaintiff's attorney, it is stipulated and agreed that the defendant in the case of Searchlight Horn Co. vs. Thomas A. Edison, Inc., No. 575, in the District Court of the United States for the District of New Jersey, shall not without the written consent of the plaintiff's attorney bring that case on for final hearing or take any step in that direction prior to the final hearing of the above-entitled case at the time provided for in the above stipulation.

MILLER & WHITE,

Attorneys and Counsel for Plaintiff in Both Said Cases.

J. D. BULL,

DAN HADSELL,

N. A. ACKER,

Attorneys and Counsel for Defendant in both Said Cases.

Dated August 19, 1914.

[Endorsed]: Filed August 24, 1914. Walter B. Maling, Clerk. [50]

At a stated term, to wit, the July term A. D. 1914 of the District Court of the United States of America, in and for the Northern District of California, Second Division, held at the courtroom in the City and County of San Francisco, on Monday, the 24th day of August, in the year of our Lord one thousand nine hundred and fourteen. Present: The Honorable WILLIAM C. VAN FLEET, District Judge.

EQUITY 18.

SEARCHLIGHT HORN CO.

vs.

PACIFIC PHONOGRAPH CO.

**Order Denying Petition to Enjoin the Prosecution
of Suit.**

Defendant's petition to enjoin the prosecution of this suit, being submitted without arguments, it was ordered that said petition be and the same is hereby denied. [51]

*In the District Court of the United States, for the
Northern District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

**Plaintiff's Answer to Defendant's Petition to
Enjoin Prosecution of Suits.**

Now comes plaintiff in the above-entitled suit and for answer to the defendant's petition to enjoin the prosecution of suits for infringement heretofore filed in this case, denies, admits and avers as follows:

1. Answering paragraph I of said petition wherein it is alleged that the defendant is a dealer in musical supplies generally for phonographic horns purchased from Thomas A. Edison, Inc., for use in connection with talking machines sold by musical dealers generally, this plaintiff avers that said paragraph I is ambiguous and deceptive, and does not state the real facts of the case, but that the real facts are that the defendant is the Pacific Coast distributing agent of Thomas A. Edison, Inc., for its phonographs and phonographic horns, and is engaged in selling the same to the various dealers throughout the Pacific Coast and those dealers in turn sell the same for use to the ultimate consumer or user. While it is true that the defendant may have heretofore sold some of the infringing horns at retail for use by the purchaser and in that sense may be called a dealer, yet the fact is that the defendant is the general distributing agent of Thomas A. [52] Edison, Inc., on the Pacific Coast engaged in supplying infringing horns to the dealers on the Pacific Coast generally, that is to say, various and numerous dealers on the Pacific Coast do not and cannot purchase the horns directly from

Thomas A. Edison, Inc., but are required to and do purchase the same from the defendant herein which defendant is the sole distributing agent of Thomas A. Edison, Inc., on the Pacific Coast for the Edison goods including phonographic horns, and in this respect and to this extent the present suit is in substance and effect a suit against Thomas A. Edison, Inc., although in name it is against the distributing agent of Thomas A. Edison, Inc., and has always been and is now being defended by Thomas A. Edison, Inc., without cost to defendant.

2. Plaintiff admits the allegations contained in paragraph II of said petition, and adds thereto the statement that in respect of the proceedings therein referred to and which were taken by and in the name of the defendant, the fact is that said proceedings were all taken by and at the expense of Thomas A. Edison, Inc., though in the name of the defendant.

3. And answering paragraph III of said petition, plaintiff denies that immediately after or after the rendition of the decision by the Circuit Court of Appeals from the order granting a preliminary injunction in this suit, plaintiff herein commenced an action in equity in the District Court of the United States for the District of New Jersey against Thomas A. Edison, Inc., for infringement of the patent in suit, charging that said Thomas A. Edison, Inc., had infringed upon claims 2 and 3 of said patent by the sale of phonographic horns of the same kind and identical with those supplied by Thomas A. Edison, Inc., to the defendant herein; but in that

behalf plaintiff admits, and avers that prior to the [53] decision of the Court of Appeals aforesaid and on or about February 15th, 1914, this plaintiff did commence such a suit against Thomas A. Edison, Inc., in the District Court of the United States for the District of New Jersey, and that in said suit plaintiff prayed that said Thomas A. Edison, Inc., be required to account for and pay over to the plaintiff all of the gains and profits realized by Thomas A. Edison, Inc., from the said infringement, and admits that Thomas A. Edison, Inc., filed its answer to said bill, the same having been filed about June 30, 1914, and that said suit has been at issue ever since, but denies that under a stipulation made it has been agreed that the testimony taken by the defendant herein may be used on behalf of the defendant in the New Jersey case without being retaken. But in this behalf and in respect to said New Jersey suit, plaintiff avers that the same was filed at the time stated as a matter of precaution to prevent further running of the statute of limitations against Thomas A. Edison, Inc., and the same has not heretofore been more vigorously pressed for trial because the present case against the Pacific Phonograph Company has always been deemed and taken as a test case, and inasmuch as the same has always been and is being now defended by Thomas A. Edison, Inc., it was deemed the better policy by plaintiff to press the same to a final hearing before taking up the New Jersey case. The present suit was commenced on or about May 9th, 1913, and many proceedings have been had and taken therein by both

parties and much testimony by way of deposition has been taken by both the plaintiff and the defendant, and the same is now ready for trial and can be speedily heard and determined, the same having been set for trial on August 25, 1914, whereas it is wholly problematical as to when the case in New Jersey can be reached for trial and disposed of on final hearing. [54] And in this behalf defendant denies that the said New Jersey case is now ready for hearing, but on the contrary avers that depositions to be used therein have not been taken, and that the depositions already taken in the case at bar have not been stipulated in that case nor has any request for such stipulation been made by defendant's attorney.

4. And answering paragraph VII of said petition wherein it is alleged that defendant herein is one of the many hundreds of dealers of Thomas A. Edison, Inc., located and doing business throughout the United States, plaintiff reiterates what it has already said in that regard, viz.: that the defendant is the general Pacific Coast distributing agent of Thomas A. Edison, Inc., engaged in selling the horns in question to the numerous dealers throughout the Pacific Coast.

5. And answering paragraph VIII of the petition where it is alleged that the defendant is not engaged at this time and has not been for a long time engaged in selling the infringing horns, plaintiff avers that it has no knowledge sufficient to inform it whether or not the defendant is now engaged or has been engaged since the decision of the Court of

Appeals in selling said horns, but in that behalf avers that prior to the decision of the Court of Appeals defendant was engaged in selling and advertising for sale such horns, and upon its appeal to the Court of Appeals from the order granting an injunction caused said injunction to be stayed pending the appeal by furnishing a bond. If, therefore, defendant has ceased to sell these horns it must have been only since the decision of the Court of Appeals.

6. And answering paragraph IX of said petition relating to the suit of this plaintiff against Babson Bros., Inc. No. 7, pending in this court, plaintiff avers that that suit was begun on or [55] about March 12, 1913, before the commencement of the suit against defendant herein, and was begun on the theory that Babson Bros., Inc., was the Pacific Coast distributors of Thomas A. Edison, Inc., plaintiff having been informed to that effect, and not knowing anything about the existence of the defendant company herein known as the Pacific Phonograph Company; that after said suit against Babson Bros., Inc., had been pending a short while, plaintiff ascertained for the first time that Babson Bros., Inc., was not the distributing agent of the Edison Company's goods but was merely a dealer therein, and that the Pacific Phonograph Company, defendant herein, was the Pacific Coast distributing agent; that thereupon plaintiff commenced the present suit against Pacific Phonograph Company but took pains to notify Thomas A. Edison, Inc., that the Babson suit had been brought through a misapprehension and that it was not the intention of plaintiff to harass

Thomas A. Edison, Inc., to defend two suits and that the Babson case would not be prosecuted independently but would be allowed to abide by the decision in the suit against Pacific Phonograph Company, and thereupon plaintiff made an arrangement with Babson Bros., Inc., whereby it authorized and permitted said Babson Bros., Inc., to continue the sale of the infringing horns, and has recently entered into a stipulation providing that the decision in the Babson case shall abide by the decision in the case at bar, and the fact is that the Babson case has been stricken from the calendar and is not to be prosecuted independently, and that the business of Babson Bros., Inc., has not been interrupted and that that company is now selling the said horns without molestation, all of which facts are well known to Thomas A. Edison, Inc.

7. And answering paragraph X of said petition, plaintiff denies that it has threatened and still threatens and continues to [56] threaten to bring many other similar suits against dealers of Thomas A. Edison, Inc., or that unless restrained by this Honorable Court will bring such suits, or will prosecute the same, or will continue to prosecute any such suit or suits.

8. Answering paragraph XII of said petition, wherein it is alleged that the defendant is not a manufacturer of the infringing horns but is merely one of the many dealers of Thomas A. Edison, Inc., and procured the horns complained of from said company, plaintiff admits that defendant is not a manufacturer of said horns, and that it procured the

same from Thomas A. Edison, Inc., but in that behalf avers that neither did Thomas A. Edison, Inc., manufacture the said horns or any of them, but procured and purchased the same from sundry other companies located in the Eastern States who manufactured the same and sold them to Thomas A. Edison, Inc., the sequence of facts being that the manufacturing company in the East manufactured the horns and sold them to Thomas A. Edison, Inc., that Thomas A. Edison, Inc., delivered them to the defendant herein as its Pacific Coast distributing agent, and that the defendant herein in turn sold them to the various dealers throughout the Pacific Coast, and that these dealers then sold them to the users or ultimate consumer.

9. And answering paragraphs XIII and XIV of said petition wherein it is alleged that the plaintiff is not at this time engaged in manufacturing and selling such horns and has not been so engaged since May, 1908, and that when so engaged prior to May, 1908, made and sold the horns to dealers throughout the United States and derived their profits from the unconditional sale thereof direct to such dealers, this plaintiff avers the facts of this matter to be as follows: That it acquired title to the patent in suit on January 4, 1907; that at said time it was engaged [57] in endeavoring to manufacture and sell two other styles of horn known as the Searchlight Folding horn and the Parabolic horn; that on purchasing the patent on January 4, 1907, plaintiff continued its efforts to market said parabolic and Searchlight folding horns, and at the same time

made an effort to manufacture and sell horns covered by the Nielsen patent, known as the "Flower Horn," and made a small number of said horns more as samples than anything else, but was unable to market the same or to make any profit therefrom by reason of the fact that the said Nielsen patent was being largely and extensively infringed by the phonograph companies, especially by Thomas A. Edison, Inc., and plaintiff was unable to compete with them, and such competition became so great that the plaintiff's business was destroyed and became practically bankrupt. On or about May 1st, 1908, plaintiff was compelled to and did transfer and dispose of its said business to other parties and then and there ceased to make or sell any kind of horn whatever and has never since then been able to resume its horn business and lost therein somewhere in the neighborhood of forty thousand dollars (\$40,000.00); that the plaintiff has not been able to resume its business since May, 1914, and is embarrassed to such an extent in its finances that it is impossible to resume the same, for which reason it went out of the business of making and selling horns in May, 1908, having been compelled thereto by the infringing acts of Thomas A. Edison, Inc., and the other talking machine companies in the United States and manufacturers of infringing horns; but the plaintiff never has received or enjoyed any profits from the manufacture and sale of the patented horns and in fact has only manufactured a small number thereof more as samples than as anything else, with a view to ascertaining if it will be possible to make any profit

from making and selling such horns, and under [58] these circumstances the compensation which the plaintiff is entitled to receive from Thomas A. Edison, Inc., in respect of its infringing acts is not measured by any profits which the plaintiff would have realized from the manufacture and sale of its horns, but is measured by such actual damage as may have been sustained by plaintiff and by such actual profits as Thomas A. Edison, Inc., may have realized from its infringement.

And answering the latter portion of paragraph XIV of said petition, that upon the satisfaction of Thomas A. Edison, Inc., of any judgment which may be rendered upon an accounting in the New Jersey suit, the infringing horns sold by Thomas A. Edison, Inc., to its numerous dealers throughout the United States would be released from the patent monopoly and the defendant herein would not be liable to the plaintiff, this plaintiff denies the said allegations and avers that such is not its understanding of the law, and further denies that under the circumstances stated in said petition plaintiff will still be entitled to have a final injunction against the defendant herein preventing future infringement even though the past infringements should be settled for.

10. And answering paragraphs XV and XVI of said petition, plaintiff denies that if it be not restrained from continuing the prosecution of the present suit and bringing others of a like nature, irreparable or any injury or damage would result by the loss to the Thomas A. Edison, Inc., of its dealers or any of its dealers who on account of the harass-

ments or annoyances or expense occasioned by the acts of the plaintiff, or any other cause, will fall away from Thomas A. Edison, Inc., or will cease to patronize that company in the purchase of any or all machinery or accessories of every or any kind or nature incident to the talking machine [59] business or outside of or wholly foreign to the phonographic horns in question, denies that the purpose of the plaintiff in the acts and course which it is alleged to be pursuing and threatens to pursue is to harass or annoy any dealer or dealers of Thomas A. Edison, Inc., or to harass or annoy Thomas A. Edison, Inc., or to put that company or your petitioner or any dealer or dealers generally to needless or any expense by being called on to defend the multiplicity of suits, or any suit or suits for infringement; that the allegations of petitioner in that behalf is a mere pretense and a sham, and that neither the defendant, nor Thomas A. Edison, Inc., has any fears whatever that it will lose any of its dealers on account of any suit or suits brought or to be brought by plaintiff, the fact being that said Thomas A. Edison, Inc., guarantees to protect all of its dealers against suits for infringements of patents.

11. And for a further and separate answer to said petition, plaintiff avers that the present suit is in the nature of a test case in regard to the Edison infringing horns and has always been so treated by the parties thereto; that the same has always been defended and is now being defended by Thomas A. Edison, Inc., under an agreement whereby said Thomas A. Edison, Inc., guarantees to protect the

defendant against infringement suits; and that after the commencement of this suit, Thomas A. Edison, Inc., took charge thereof and of the defense and employed counsel to defend the same on behalf of Thomas A. Edison, Inc., but in the name of the defendant; that when a motion for an injunction was made, Thomas A. Edison, Inc., sent its chosen attorney from New York City to oppose the motion at San Francisco, and such attorney did oppose the motion and took an appeal from the order granting the injunction, and when said appeal came up for hearing in the Court of Appeals, said attorney again came to San Francisco on [60] behalf of Thomas A. Edison, Inc., and argued said appeal in the Court of Appeals and filed a brief therein; that in addition to the foregoing, the said attorney for Thomas A. Edison, Inc., took numerous and extensive depositions in the Eastern States for use on final hearing of the case, and many of the witnesses being the employees of Thomas A. Edison, Inc.; that negotiations for settlement of the controversy have from time to time been conducted and plaintiff carried on all those negotiations directly with Thomas A. Edison, Inc., and its employees and agents, it being recognized and understood by all parties concerned that the real party in interest in this case was Thomas A. Edison, Inc., and that the Pacific Phonograph Company was a mere figure-head; that the depositions for final hearing had been taken in this case by both plaintiff and defendant in the Eastern States, and the said case is ready for final hearing; said case was called here on a previous calendar of

this court and the same was continued for the term at the request of defendant's attorney, because of the fact that an appeal from the motion granting an injunction was then pending and had not been decided; that such appeal was decided on May 4th, 1914; that thereupon defendant's attorney stipulated in writing with plaintiff's attorney that this case be restored to the calendar for final hearing and it was placed on the July, 1914, calendar and was regularly called on August 10th, 1914; that upon the calling it was set down for final hearing on August 25, 1914, without any protest or objection from defendant's attorney; that it was not until the service of the petition herein that plaintiff was formally notified that any objection would be made to the trial of this case on August 25th. Plaintiff further avers that if this case is heard and disposed of on August 25, 1914, inasmuch as the same is a test [61] case and is being defended by Thomas A. Edison, Inc., such judgment as may be rendered therein would become, as plaintiff is informed and believes, *res adjudicata* as to Thomas A. Edison, Inc., and will operate as such in the suit against Thomas A. Edison, Inc., in New Jersey, whereby a speedy determination of the litigation may be had, whereas if the prosecution of this case is suspended, and plaintiff is required to try the New Jersey case first, the litigation will be extended indefinitely and there is no telling when the same can be concluded; that the New Jersey case is not ready for hearing, because of the fact that the depositions have not yet been taken therein, nor have the depositions which

were taken in the case at bar been stipulated in that case, nor has any request for such stipulation been made; and furthermore the condition of the calendar in the New Jersey court is of so crowded a nature that there is no telling when the case can be reached, and in fact no calendar will be called for a considerable period of time because of the pending vacation; that there are a great many cases at issue on said New Jersey calendar which are ahead of the plaintiff's case against Thomas A. Edison, Inc., and it is utterly impossible to tell when the case will even be reached for trial, much less when it can be tried, and even after a trial an appeal would be taken and a further delay thereby would follow.

12. And as a further ground for denying this petition, plaintiff avers that it is now in financial difficulties and has no money for its own use with which to prosecute this litigation but is compelled to borrow the same at a great sacrifice; that the trial of the case at bar can be had with comparatively small additional expense, whereas to compel plaintiff to try the New Jersey case first would entail a very great and onerous and burdensome expense upon the plaintiff, which at the present time it sees [62] no way of meeting: that Thomas A. Edison, Inc., is a very rich and powerful corporation having millions of dollars of assets, and the matter of expense to it is of small moment whereas the matter of expense to the plaintiff is vital.

WHEREFORE plaintiff prays that said petition be denied and that the trial in the case be allowed

to proceed at the time for which it was set.

JOHN H. MILLER,
Attorney for Plaintiff. [63]

United States of America,
Northern District of California,
City and County of San Francisco,—ss.

J. H. MILLER, being duly sworn, deposes and says that he is attorney for plaintiff in the within entitled action; that he has read the foregoing answer and knows the contents thereof; that the same is true *of own* knowledge, except as to the matters which are therein stated on information or belief, and as to those matters, that he believes it to be true.

That this affidavit is made as of August 24, 1914.

JOHN H. MILLER.

Subscribed and sworn to before me this 17th day of September, 1914.

[Seal] GENEVIEVE S. DONELIN,
Notary Public in and for the City and County of
San Francisco, State of California.

By consent of defendant's attorney and by direction of the Judge.

[Endorsed]: Filed Sept. 17, 1914, *nunc pro tunc* August 24, 1914. Walter B. Maling, Clerk. [64]

*In the District Court of the United States, Northern
District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Petition for Order Allowing Appeal.

Pacific Phonograph Company, the above-named defendant, conceiving itself aggrieved by the Order made and entered by said Court in the above-entitled cause on the 24th day of August, 1914, denying defendant's motion that complainant be enjoined and restrained from the further prosecution of the above entitled suit and from bringing any other suit or suits within the jurisdiction of this court against vendees of Phonographic Horns, alleged to be an infringement of United States Letters Patent No. 771,441, and secured from the vendor thereof—the Thomas A. Edison, Incorporated, party defendant to Equity Suit No. 575, pending in the United States District Court for the District of New Jersey, entitled Searchlight Horn Company vs. Thomas A. Edison, Incorporated, comes now by N. A. Acker, Esq., its solicitor and counsel, and petitions said Court for an order allowing defendant to prosecute an appeal from said order denying said injunction and restraining order unto defendant as aforesaid, to the Honorable, the United States Circuit Court of Appeals for

the Ninth Circuit, under and according to the laws of the United States in that behalf made and provided; and also that an order be made fixing the [65] sum of security which defendant shall give and furnish upon such an appeal, and that upon the giving of said security, further proceedings in this court shall be stayed pending the determination of said appeal by the United States Circuit Court of Appeals for the Ninth Circuit.

And your petitioner will ever pray.

D. HADSELL,

N. A. ACKER,

Solicitors and of Counsel for Deft.

[Endorsed]: Filed Sept. 17, 1914. Walter B. Mal-
ing, Clerk. [66]

*In the District Court of the United States, Northern
District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Assignment of Errors.

Comes now the defendant above named and specifies and assigns the following as errors upon which it will rely upon its appeal to the United States Circuit Court of Appeals, for the Ninth Circuit, from the decree or order of August 24th, 1914, refusing

to enjoin and restrain complainant in the above-entitled suit.

First. That the District Court of the United States, Northern District of California, Second Division, erred in refusing defendant's said motion.

Second. That said Court erred in denying unto the defendant an order adjudging or decreeing that complainant be enjoined or restrained from any further prosecution of the suit against the said defendant in this Circuit, until the determination of the suit now pending in the District Court of the United States for the District of New Jersey, between the complainant herein and the Thomas A. Edison, Incorporated, vendor of the above named defendant.

Third. That said Court erred in not ordering, adjudging or decreeing that complainant be enjoined or restrained from bringing within its jurisdiction any other suit or suits against [67] vendees of the said vendor, Thomas A. Edison, Incorporated, until the determination of Equity Suit No. 575, now pending in the United States District Court for the District of New Jersey, between the Complainant herein and the said Thomas A. Edison, Incorporated.

Fourth. That said Court erred in holding that any judgment which could be rendered in said Equity Suit No. 575, now pending in the District Court of the United States for the District of New Jersey, between the Complainant herein and the Thomas A. Edison, Incorporated, would not operate as a license to all or any of the vendees of the said Thomas A. Edison, Incorporated, to sell and dispose of the alleged infringing Phonographic Horns in the Posses-

sion of the said vendees.

Fifth. That said Court erred in not holding that where a patentee, situated as complainant herein, recovers from an infringing vendor damages and profits on account of the infringement and the judgment is paid, the vendee or vendees of such vendor has the same right to such patented article as he would have were he a licensee from the patentee.

Sixth. That said Court erred in not holding that the continued prosecution of the present suit and the right to bring and prosecute within its jurisdiction other suits against vendees of the Thomas A. Edison, Incorporated, is and would be oppressive.

Seventh. That said Court erred in refusing unto the defendant herein, the relief prayed for by its said motion, and as set forth in the petition accompanying the same.

In order that the foregoing assignment of errors may be and appear of record, the defendant presents the same to the Court and prays that such disposition may be made thereof as in accordance with the law of the United States. [68]

Wherefore, the said defendant prays that the said order of this court made and entered on the 24th day of August, 1914, denying its motion to enjoin and restrain the complainant herein, be reversed and that the United States District Court, Northern District of California, Second Division, be directed to enter an order setting aside the said order or decree of August 24th, 1914.

All of which we respectfully submit,

D. HADSELL,

N. A. ACKER,

Solicitors and Counsel for Deft.

[Endorsed]: Filed Sept. 17, 1914, Walter B. Maling, Clerk. [69]

*In the District Court of the United States, Northern
District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Order Allowing Appeal, etc.

In the above-entitled cause, the defendant, Pacific Phonograph Company, having filed its Petition for an Order allowing an Appeal from the Order of this court made and entered August 24th, 1914, together with its assignment of errors:

Now, upon motion of N. A. Acker, Esq., solicitor for defendant, it is ordered that said appeal be, and hereby is, allowed to defendant, Pacific Phonograph Company, to the United States Circuit Court of Appeals for the Ninth Circuit, from said decree or order made and entered by this Court in this cause on August 24th, 1914, denying that complainant be enjoined and restrained from any further prosecution of the foregoing suit and from bringing any other suit or suits within the jurisdiction of this

Court against vendees of the vendor of the Phonographic Horns alleged to be an infringement of United States Letters Patent, No. 771,441, and that the amount of defendant's bond upon said appeal be and the same is fixed at \$500.00, and it is further ordered that upon the filing of such security a certified transcript of the records and proceedings herein be transmitted to the said United States Circuit Court of Appeals for the Ninth Circuit, in [70] accordance with the Rules in Equity of the Supreme Court of the United States and the statutes made and provided.

WM. C. VAN FLEET,
District Judge.

September 16th, 1914.

[Endorsed]: Filed Sep. 17, 1914. W. B. Maling,
Clerk. By J. A. Schaertzer, Deputy Clerk. [71]

*In the District Court of the United States, Northern
District of California, Second Division.*

IN EQUITY—No. 18.

SEARCHLIGHT HORN COMPANY,
Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,
Defendant.

Bond on Appeal.

KNOW ALL MEN BY THESE PRESENTS,
That Fidelity & Deposit Company of Maryland, a
corporation duly organized and existing under and

by virtue of the laws of the State of Maryland, and duly licensed to transact business in the State of California, is held and firmly bound unto Searchlight Horn Company, a corporation, (Complainant in the above-entitled suit), in the sum of Five Hundred Dollars (\$500.00), to be paid unto the Searchlight Horn Company, its successors and assigns, for which payment, well and truly to be made, the Fidelity & Deposit Company of Maryland binds itself, its successors and assigns, firmly by these presents, sealed with its corporate seal and dated this 23d day of September, 1914.

The condition of the above obligation is such that whereas the said Pacific Phonograph Company, (Defendant in the above-entitled suit), has taken an appeal to the United States Circuit Court of Appeals for the Ninth Circuit, to reverse an order or decree made, rendered and entered on the 24th day of August, 1914, by the District Court of the United States, Northern District of California, Second Division, in the above-entitled cause denying unto the said defendant an order adjudging or decreeing that the above-named complainant be enjoined or restrained from the further [72] prosecution of the above-entitled suit in the District Court of the United States, Northern District of California, Second Division, and from bringing within its jurisdiction any other suit or suits against vendees of the Thomas A. Edison, Incorporated, pending the determination of Equity Suit No. 575, now pending in the United States District Court for the District of New Jersey, between the complainant to the above-entitled suit

and Thomas A. Edison, Incorporated, vendor of the Pacific Phonograph Company, defendant in the above-entitled suit, for infringement of United States Letters Patent No. 771,441, granted Peter Nielsen, October 4th, 1904, for improved Phonographic Horn.

NOW, THEREFORE, the condition of the above obligation is such that if the said Pacific Phonograph Company shall prosecute its said Appeal to effect and answer all costs which may be adjudged if it fails to make good its plea, then this obligation shall be void; otherwise to remain in full force and effect.

FIDELITY AND DEPOSIT COMPANY
OF MARYLAND.

By PAUL M. NIPPERT,
Attorney in Fact.

[Seal] Attest: GUY LE ROY STEVICK,
Agent.

Approved Sept. 23d, 1914.

WM. C. VAN FLEET,
Judge.

[Endorsed]: Filed Sep. 24, 1914. W. B. Maling,
Clerk. By J. A. Schaertzer, Deputy Clerk. [73]

UNITED STATES OF AMERICA.

*District Court of the United States, Northern
District of California.*

CLERK'S OFFICE.

No. 18—EQUITY.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

Praeipce [for Record on Appeal].

To the Clerk of said Court:

Sir: Please prepare Transcript on Appeal to the
United States Circuit Court of Appeals for the Ninth
Circuit, consisting of the following papers:

Bill of Complaint;

Answer;

Amendments to Answer;

Defendant's Petition to enjoin prosecution of suits;

Notice of Motion and Affidavits attached thereto;

Minute Order denying petition to enjoin prosecution
of suits;Plaintiff's Answer to Defendant's Petition to enjoin
prosecution of suits;

Petition for Order Allowing Appeal;

Assignment of Errors;

Order Allowing Appeal; and
Bond on Appeal.

DAN HADSELL,
N. A. ACKER,
Attorneys for Defendant.

[Endorsed]: Filed Oct. 9, 1914. W. B. Maling,
Clerk. By J. A. Schaertzer, Deputy Clerk. [74]

UNITED STATES OF AMERICA.

*District Court of the United States, Northern
District of California.*

CLERK'S OFFICE.

No. 18.

SEARCHLIGHT HORN CO.

vs.

PACIFIC PHONO. CO.

[Supplemental] Praecipe [as to Record on Appeal].

To the Clerk of said Court:

Sir: Please *issue* add in making up record on appeal from order denying motion to suspend, the Stipulation of parties filed Aug. 24, 1914.

JOHN H. MILLER,
Attorney for Plff.

[Endorsed]: Filed Oct. 30, 1914. W. B. Maling,
Clerk. By J. A. Schaertzer, Deputy Clerk. [75]

*In the District Court of the United States, in and for
the Northern District of California, Second
Division.*

No. 18.

SEARCHLIGHT HORN COMPANY,

Plaintiff,

vs.

PACIFIC PHONOGRAPH COMPANY,

Defendant.

**Certificate of Clerk U. S. District Court to Record on
Appeal.**

I, WALTER B. MALING, Clerk of the District Court of the United States, in and for the Northern District of California, do hereby certify the foregoing seventy-five (75) pages, numbered from 1 to 75 inclusive, to be full, true and correct copies of the records and proceedings as enumerated in the praecipes for transcript of record, as the same remain on file and of record in the above-entitled cause, and that the same constitute the record on appeal to the United States Circuit Court of Appeals for the Ninth Circuit.

I further certify that the cost of the foregoing transcript of record is \$41.40; that said amount was paid by N. A. Acker, Attorney for defendant; and that the original Citation issued in said cause is hereto annexed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said District Court, this 14th day of November, A. D. 1914.

[Seal]

WALTER B. MALING,

Clerk.

By J. A. Schaertzer,

Deputy Clerk. [76]

Citation on Appeal.

UNITED STATES OF AMERICA,—ss.

The President of the United States, to Searchlight Horn Company, Greeting:

You are hereby cited and admonished to be and appear at a United States Circuit Court of Appeals for the Ninth Circuit, to be holden at the City of San Francisco, in the State of California, within thirty days from the date hereof, pursuant to an order allowing an appeal, of record in the Clerk's Office of the United States District Court for the Northern District of California, Second Division, wherein Pacific Phonograph Company is appellant, and you are appellee, to show cause, if any there be, why the decree rendered against the said appellant, as in the said order allowing appeal mentioned, should not be corrected, and why speedy justice should not be done to the parties in that behalf.

WITNESS, the Honorable WILLIAM C. VAN FLEET, United States District Judge for the Northern District of California, this 24th day of September, A. D. 1914.

WM. C. VAN FLEET,

United States District Judge. [77]

Received copy of within citation this 28th of September, 1914.

JNO. H. MILLER,
Attorney for Appellee.

[Endorsed]: No. 18. United States District Court, for the Northern District of California, Second Division. Pacific Phonograph Co., Appellant, vs. Searchlight Horn Co. Citation on Appeal. Filed Oct. 10, 1914. W. B. Maling, Clerk. By J. A. Schaertzer, Deputy Clerk.

[Endorsed]: No. 2518. United States Circuit Court of Appeals for the Ninth Circuit. Pacific Phonograph Company, a Corporation, Appellant, vs. Searchlight Horn Company, a Corporation, Appellee. Transcript of Record. Upon Appeal from the United States District Court for the Northern District of California, Second Division.

Received and filed November 20, 1914.

FRANK D. MONCKTON,
Clerk of the United States Circuit Court of Appeals
for the Ninth Circuit.

By Meredith Sawyer,
Deputy Clerk.

*United States Circuit Court of Appeals for the Ninth
Circuit.*

PACIFIC PHONOGRAPH CO.,

Appellant,

vs.

SEARCHLIGHT HORN CO.,

Appellee.

**Order Extending Time to File Record and to Docket
Cause.**

Good cause appearing therefor, IT IS ORDERED that the appellant herein have to and including November 21st, 1914, within which to file its record on appeal and to docket the suit in the United States Circuit Court of Appeals for the Ninth Circuit.

Dated October 23, 1914.

WM. W. MORROW,

United States Circuit Judge, Ninth Judicial Circuit.

[Endorsed]: No. 2518. United States Circuit Court of Appeals for the Ninth Circuit. Order Under Rule 16 Enlarging Time to Nov. 21, 1914, to File Record Thereof and to Docket Case. Filed Oct. 23, 1914. F. D. Monckton, Clerk. Refiled Nov. 20, 1914. F. D. Monckton, Clerk.

